

Stakeholder Comments Template

Commitment Cost Enhancements Policy Clarification Straw Proposal

Submitted by	Organization	Date Submitted
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SCE provides the following comments on the California Independent System Operator (CAISO) Commitment Cost Enhancements (CCE) Policy Clarification Straw Proposal¹.

SCE supports the CAISO's efforts and clarifies its position

SCE reiterates its comments during the December 10 call, and thanks the CAISO for acknowledging their validity.

First, SCE notes that its proposed hydro counting may have been misrepresented. Specifically, the 20% coefficient presented as the weight for 3 years prior can be the weight for a low hydro year and does not have to be constrained to the third year. SCE had stated, "SCE recognizes that low hydro years should be accounted for to reduce the chance of overstating the capacity, so a low hydro year could be used instead using historic outages for the third year."² SCE proposes that this low hydro year could be represented by the lowest average availability of the previous ten year period.

Second, as noted on slide 13 of the CAISO's presentation, there is pressure on LSEs to show or sell all available NQC for an entire hydro resource. SCE appreciates the CAISO being mindful of this and publicly informing stakeholders of this fact.

¹ <http://www.aiso.com/InitiativeDocuments/Presentation-CommitmentCostEnhancementsTariffClarifications.pdf>

² Page 2. <http://www.aiso.com/InitiativeDocuments/SCEProposal-CommitmentCostEnhancementsTariffClarifications.pdf>